

Message Text

CONFIDENTIAL

PAGE 01 LONDON 10869 211743Z

64

ACTION EB-11

INFO OCT-01 EUR-25 ISO-00 SPC-03 AID-20 NSC-10 RSC-01

CIEP-02 TRSE-00 SS-15 STR-08 OMB-01 CEA-02 CIAE-00

COME-00 FRB-02 INR-10 NSAE-00 XMB-07 OPIC-12 LAB-06

SIL-01 AGR-20 L-03 IO-13 AF-10 INT-08 PA-03 PRS-01

USIA-15 DRC-01 /211 W

----- 028829

R 211718Z SEP 73

FM AMEMBASSY LONDON

TO AMEMBASSY ACCRA

SECSTATE WASHDC 4145

C O N F I D E N T I A L LONDON 10869

E.O. 11652: GDS

TAGS: BGEN, EFIN, PFOR, GH

SUBJECT: GOG PARTICIPATION IN BRITISH FIRMS

REF: LONDON 10815

1. IN ADDITION TO DESCRIPTION OF PARTICIPATION TALKS BETWEEN GOG AND BRITISH FIRMS PRESENTED BY UK TO CREDITORS DURING SEPTEMBER GHANA DEBT MEETING AND REPORTED REFTEL, FOLLOWING ADDITIONAL DETAILS PROVIDED MEMBER US DELEGATION BY FCO OFFICER RESPONSIBLE FOR GHANA.

2. PARTICIPATION TALKS WITH BRITISH ALUMINIUM (BAC) WERE SUCCESSFUL BECAUSE BAC HAS AN ALUMINA PLANT IN SCOTLAND TOTALLY DEPENDENT ON GHANAIAAN BAUXITE. BAC THUS HAD LITTLE ALTERNATIVE BUT TO COME TO TERMS WITH GOG QUICKLY. HMG DOES NOT KNOW TERMS OF SETTLEMENT BETWEEN BAC AND GOG.

3. FOUR BRITISH FIRMS NOW NEGOTIATING WITH GOG HAVE
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 LONDON 10869 211743Z

REJECTED GOG DEMANDS AND MADE PROPOSALS OF THEIR OWN,

TO WHICH GOG HAS NOT RESPONDED, DESPITE REPEATED REASSURANCES IT WOULD DO SO. COMPANIES REJECT BOOK VALUE AS BASIS FOR EVALUATION AND EXPECT SOME COMPENSATION FOR ORE OR TIMBER RESERVES.

4. COMPANIES ARE WILLING TO ACCEPT STRETCHOUT IN PAYMENT FOR COMPENSATION BUT HAVE BEEN UNABLE AGREE ON SCHEDULES WITH GOG. NEGOTIATING COMMITTEE UNABLE GIVE ANY ASSURANCE REGARDING REPATRIATION OF COMPENSATION PAYMENTS, OTHER THAN TO STATE IT WOULD USE ITS GOOD OFFICES WITH BOG TO SEE THAT FOREIGN EXCHANGE IS MADE AVAILABLE.

5. PREVIOUS IS COMPOSITE PICTURE WHICH MAY NOT BE ACCURATE IN EACH PARTICULAR FOR EACH FIRM AND EACH NEGOTIATION.

6. CHAIRMAN ROLAND OF LONRHO RECENTLY VISITED ACCRA TO MAKE NEW AND POSSIBLY NOVEL PROPOSAL TO GOG. LONRHO BELIEVES ITS POSITION UNIQUE, AS IT PAID 15 MILLION POUNDS, MORE THAN BOOK VALUE, FOR ASHANTI GOLDFIELDS, ONLY FOUR YEARS AGO.

7. PATTERN OF INTERACTION BETWEEN COMPANIES AND HMG RANGES FROM CLOSE AND FREQUENT CONTACT TO ARM'S LENGTH ATTITUDE OF AT LEAST ONE COMPANY.

8. FCO PLAYING MAJOR ROLE IN HMG'S HANDLING OF THIS ISSUE, WITH HIGH COMMISSIONER STANLEY QUITE AN ACTIVIST.

SOHM

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 21 SEP 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: golinofr
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973LONDON10869
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS SOHM
Errors: N/A
Film Number: n/a
From: LONDON
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19730919/aaaaanrr.tel
Line Count: 93
Locator: TEXT ON-LINE
Office: ACTION EB
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: LONDON 10815
Review Action: RELEASED, APPROVED
Review Authority: golinofr
Review Comment: n/a
Review Content Flags:
Review Date: 24 JUL 2001
Review Event:
Review Exemptions: n/a
Review History: RELEASED <24-Jul-2001 by kellew0>; APPROVED <19 FEB 2002 by golinofr>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: GOG PARTICIPATION IN BRITISH FIRMS
TAGS: BGEN, EFIN, PFOR, GH
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005